

AMENDED IN SENATE MARCH 22, 2011

SENATE BILL

No. 803

Introduced by Senator DeSaulnier

February 18, 2011

An act to add and repeal Article 4.5 (commencing with Section 18736) of Chapter 3 of Part 10.2 of Division 2 of the Revenue and Taxation Code, and to add Chapter 4 (commencing with Section 2200) to Division 2.5 of the Welfare and Institutions Code, relating to youth services.

LEGISLATIVE COUNSEL'S DIGEST

SB 803, as amended, DeSaulnier. California youth leadership: youth advocacy. *Youth Leadership Project.*

Existing law establishes various programs to advocate for the needs of seniors and other groups, including the Senior Legislature.

~~This bill would state the intent of the Legislature to amend this bill to enact legislation that would establish the California Youth Leadership Fund and the California Youth Leadership Project to advocate for the needs of youth.~~

This bill would establish the California Youth Leadership Project under the Joint Committee on Rules for the purpose of supporting and promoting youth civic engagement by awarding scholarships to youth and civic engagement programs. The bill would create the California Youth Leadership Project Committee, which would be chaired by the chair of the Joint Committee on Rules and be composed of specified appointed members. The bill would authorize the advisory committee to enter into an interagency agreement with the Joint Committee on Rules to carry out necessary administrative functions. The advisory committee also would be charged with determining when there are sufficient funds to support the program and if it determines that there

are insufficient funds to cover all costs, the activities of the California Youth Leadership Project would cease.

The Personal Income Tax Law authorizes taxpayers to contribute amounts in excess of their tax liability for the support of specified funds.

The bill would create in the State Treasury the California Youth Leadership Fund to receive contributions from tax return designations to support the California Youth Leadership Project. This bill would allocate all moneys transferred to the California Youth Leadership Fund, as prescribed, upon appropriation by the Legislature, to the Franchise Tax Board and the Controller for the reimbursement of costs incurred, and to the Joint Committee on Rules to provide for the California Youth Leadership Project. This bill would provide for the repeal of this contribution provision for this fund on January 1 of the 5th taxable year following the first appearance of the California Youth Leadership Fund on the tax return or on January 1 of an earlier calendar year, if the Franchise Tax Board estimates that the annual contribution amount will be less than \$250,000, or an adjusted amount, as specified, for subsequent taxable years. The bill also would authorize the California Youth Leadership Committee to accept gifts and grants from any source to help perform its functions.

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~-yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Article 4.5 (commencing with Section 18736) is
2 added to Chapter 3 of Part 10.2 of Division 2 of the Revenue and
3 Taxation Code, to read:

4

5 Article 4.5. California Youth Leadership Fund

6

7 18736. (a) An individual may designate on the tax return that
8 a contribution in excess of the tax liability, if any, be made to the
9 California Youth Leadership Fund, established by Section 18737.

10 (b) The contributions shall be in full dollar amounts and may
11 be made individually by each signatory on a joint return.

12 (c) A designation under subdivision (a) shall be made for any
13 taxable year on the original return for that taxable year, and once
14 made shall be irrevocable. In the event that payments and credits
15 reported on the return, together with any other credits associated

1 *with the individual's account, do not exceed the individual's tax*
2 *liability, the return shall be treated as though no designation has*
3 *been made.*

4 *(d) If an individual designates a contribution to more than one*
5 *account or fund listed on the tax return, and the amount available*
6 *is insufficient to satisfy the total amount designated, the*
7 *contribution shall be allocated among the designees on a pro rata*
8 *basis.*

9 *(e) The Franchise Tax Board shall revise the form of the return*
10 *to include a space labeled "California Youth Leadership Fund"*
11 *to allow for the designation permitted under subdivision (a). The*
12 *form shall also include in the instructions information that the*
13 *contribution may be in the amount of one dollar (\$1) or more and*
14 *that the contribution shall be used to support the California Youth*
15 *Leadership Project.*

16 *(f) Notwithstanding any other provision, a voluntary contribution*
17 *designation for the California Youth Leadership Fund shall not*
18 *be added on the tax return until another voluntary contribution*
19 *designation is removed.*

20 *(g) A deduction shall be allowed under Article 6 (commencing*
21 *with Section 17201) of Chapter 3 of Part 10 for any contribution*
22 *made pursuant to subdivision (a).*

23 *18737. There is hereby established in the State Treasury the*
24 *California Youth Leadership Fund to receive contributions made*
25 *pursuant to Section 18736. The Franchise Tax Board shall notify*
26 *the Controller of both the amount of money paid by taxpayers in*
27 *excess of their tax liability and the amount of refund money that*
28 *taxpayers have designated pursuant to Section 18736 to be*
29 *transferred to the California Youth Leadership Fund. The*
30 *Controller shall transfer from the Personal Income Tax Fund to*
31 *the California Youth Leadership Fund an amount not in excess of*
32 *the sum of the amounts designated by individuals pursuant to*
33 *Section 18736 for payment into that fund.*

34 *18738. All moneys transferred to the California Youth*
35 *Leadership Fund pursuant to Section 18736, upon appropriation*
36 *by the Legislature, shall be allocated as follows:*

37 *(a) To the Franchise Tax Board and the Controller for*
38 *reimbursement of all costs incurred by the Franchise Tax Board*
39 *and the Controller in connection with their duties under this article.*

1 ***(b) To the Joint Committee on Rules to provide for the California***
2 ***Youth Leadership Project, pursuant to Chapter 4 (commencing***
3 ***with Section 2200) of Division 2.5 of the Welfare and Institutions***
4 ***Code.***

5 ***(c) All moneys allocated pursuant to subdivision (b) of this***
6 ***section may be carried over from the year in which they were***
7 ***received.***

8 ***18739. (a) Except as otherwise provided in subdivision (b),***
9 ***this article shall remain in effect only until January 1 of the fifth***
10 ***taxable year following the first appearance of the California Youth***
11 ***Leadership Fund on the tax return, and as of that date is repealed.***

12 ***(b) (1) By September 1 of the second calendar year, and by***
13 ***September 1 of each subsequent calendar year that the California***
14 ***Youth Leadership Fund appears on a tax return, the Franchise***
15 ***Tax Board shall do all of the following:***

16 ***(A) Determine the minimum contribution amount required to***
17 ***be received during the next calendar year for the fund to appear***
18 ***on the tax return for the taxable year that includes that next***
19 ***calendar year.***

20 ***(B) Provide written notification to the Joint Committee on Rules***
21 ***of the amount determined in subparagraph (A).***

22 ***(C) Determine whether the amount of contributions estimated***
23 ***to be received during the calendar year will equal or exceed the***
24 ***minimum contribution amount determined by the Franchise Tax***
25 ***Board for the calendar year pursuant to subparagraph (A). The***
26 ***Franchise Tax Board shall estimate the amount of contributions***
27 ***to be received by using the actual amounts received and an***
28 ***estimate of the contributions that will be received by the end of***
29 ***that calendar year.***

30 ***(2) If the Franchise Tax Board determines that the amount of***
31 ***contributions estimated to be received during a calendar year will***
32 ***not equal or exceed the minimum contribution amount for the***
33 ***calendar year, this article is repealed with respect to taxable years***
34 ***beginning on or after January 1 of that calendar year.***

35 ***(3) For purposes of this section, “minimum contribution amount***
36 ***for the calendar year” means two hundred fifty thousand dollars***
37 ***(\$250,000) for the second calendar year after the first appearance***
38 ***of the California Youth Leadership Fund on the personal income***
39 ***tax return or the adjusted minimum contribution amount adjusted***
40 ***pursuant to subdivision (c).***

1 (c) For each calendar year, beginning with the third calendar
2 year that the California Youth Leadership Fund appears on the
3 tax return, the Franchise Tax Board shall adjust, on or before
4 September 1 of that calendar year, the minimum estimated
5 contribution amount specified in subdivision (b) as follows:

6 (1) The minimum estimated contribution amount for the calendar
7 year shall be an amount equal to the product of the minimum
8 contribution amount for the prior September 1 multiplied by the
9 inflation factor adjustment as specified in paragraph (2) of
10 subdivision (h) of Section 17041, rounded off to the nearest dollar.

11 (2) The inflation factor adjustment used for the calendar year
12 shall be based on the figures for the percentage change in the
13 California Consumer Price Index received on or before August 1
14 of the calendar year pursuant to paragraph (1) of subdivision (h)
15 of Section 17041.

16 (d) Notwithstanding the repeal of this article, any contribution
17 amounts designated pursuant to this article prior to its repeal shall
18 continue to be transferred and disbursed in accordance with this
19 article as in effect immediately prior to that repeal.

20 SEC. 2. Chapter 4 (commencing with Section 2200) is added
21 to Division 2.5 of the Welfare and Institutions Code, to read:

22
23 CHAPTER 4. CALIFORNIA YOUTH LEADERSHIP PROJECT
24

25 2200. (a) The Legislature finds and declares that the needs of
26 California's youth can best be assessed by California's youth.

27 (b) The Legislature recognizes that there are more than
28 9,000,000 youth under 19 years of age in California, and an
29 additional 3,000,000 more young adults between 18 and 24 years
30 of age.

31 (c) The Legislature recognizes that all young people need five
32 key developmental resources in order to become productive
33 citizens: caring adults, safe places, a healthy start, an effective
34 education, and opportunities to help others. The Legislature further
35 recognizes that young people who receive more of these
36 developmental resources fare better than young people who receive
37 fewer, and that those young people are more likely to avoid
38 violence, contribute to their communities, and achieve high grades
39 in school. The Legislature further recognizes the significant number
40 of California's youth who live disadvantaged lives. Of those youth,

1 *an estimated 200,000 minors and thousands more youth between*
2 *18 and 24 years of age experience homelessness each year. Another*
3 *60,000 youth are in the foster care system, over 1,250 youth in*
4 *California currently occupy juvenile justice facilities, and more*
5 *than 2,500 youth are on parole from those facilities. Youth who*
6 *are homeless, in the juvenile justice system, or in foster care have*
7 *limited opportunities to participate in the policy process that*
8 *ultimately impacts their well-being.*

9 *(d) The Legislature recognizes that there are limited civic*
10 *engagement opportunities for these disconnected and*
11 *disadvantaged youth, especially opportunities developed and*
12 *designed for and with them in mind.*

13 *(e) The Legislature is alarmed that hundreds of thousands of*
14 *California youth are among the two-thirds of America's children*
15 *and youth recently identified by the America's Promise Alliance*
16 *as not receiving sufficient developmental resources to safely put*
17 *them on the path to adulthood. The Legislature also is concerned*
18 *that the high school completion rate is less than 60 percent for*
19 *low-income students and students of color in California, that gang*
20 *and youth violence continue to be a concern and although birth*
21 *rates to teen mothers have decreased, "teen pregnancy and*
22 *parenting" continues to be a significant social problem in*
23 *California. The Legislature is encouraged, however, by research*
24 *indicating that providing more of the five developmental resources*
25 *for more young people can help prevent many of these problems,*
26 *and that millions of dollars in later prison, health, and welfare*
27 *costs can be avoided by providing more developmental resources*
28 *for more young people now.*

29 *(f) The Legislature also agrees with the America's Promise*
30 *Alliance's call for greater collaboration and integration in working*
31 *to turn failure into action and improve the lives of young people*
32 *at risk and with the actions of the more than 20 states that have*
33 *committed their state resources for the creation of statewide entities*
34 *charged with improving the developmental well-being of their*
35 *children and youth.*

36 *2201. (a) The California Youth Leadership Project is hereby*
37 *established under the Joint Committee on Rules for the purpose*
38 *of promoting youth civic engagement through meaningful*
39 *opportunities to improve the quality of life for California's*
40 *disconnected and disadvantaged youth.*

1 ***(b) The California Youth Leadership Project shall support and***
2 ***promote youth civic engagement by awarding scholarships to***
3 ***youth. Furthermore, youths awarded scholarships by the California***
4 ***Youth Leadership Project shall be given the opportunity to make***
5 ***meaningful recommendations regarding legislation and policies***
6 ***that impact their own lives and the lives of the thousands of other***
7 ***youth in California whose voices often go unheard.***

8 ***(c) The California Youth Leadership Project shall award youth***
9 ***scholarships to civic engagement programs that do all of the***
10 ***following:***

11 ***(1) Provide youth participants tools to examine and discuss***
12 ***policy and fiscal issues affecting the interests, needs, and***
13 ***conditions of the youth of California.***

14 ***(2) Provide youth participants the opportunity to formally advise***
15 ***and make recommendations to the Legislature and the Governor***
16 ***on specific issues affecting youth, including, but not limited to, all***
17 ***of the following:***

18 ***(A) Education.***

19 ***(B) Employment.***

20 ***(C) Access to state and local governmental services.***

21 ***(D) The environment.***

22 ***(E) Behavioral and physical health.***

23 ***(F) Safety.***

24 ***(G) Technology.***

25 ***(H) Criminal justice.***

26 ***(I) Homelessness.***

27 ***(J) Foster care.***

28 ***(K) Child welfare.***

29 ***(L) Emancipation.***

30 ***(M) Financial literacy.***

31 ***(N) Substance abuse.***

32 ***(O) Driver's license requirements.***

33 ***(P) Poverty.***

34 ***(Q) Increased youth participation in state and local government.***

35 ***(R) Any other policy or fiscal issues deemed appropriate by the***
36 ***California Youth Leadership Project Committee.***

37 ***(3) Provide youth participants the opportunity to consult with***
38 ***any existing local level youth advisory commissions and***
39 ***community-based, grassroots youth-led organizations for input***
40 ***and potential solutions on issues related to youth.***

1 (4) *Provide youth participants the opportunity to convene and*
2 *conduct meetings to fulfill the purposes of this chapter.*

3 (5) *Provide youth participants the opportunity to act as an*
4 *information center on California youth policy and fiscal issues,*
5 *including, but not limited to, the issues listed in paragraph (2).*

6 (6) *When available, enable individual youth to travel to the*
7 *State Capitol to learn the legislative process and, on occasion, to*
8 *testify at legislative hearings.*

9 2202. (a) *The California Youth Leadership Project shall be*
10 *overseen by the California Youth Leadership Project Committee.*

11 (b) *The California Youth Leadership Project Committee shall*
12 *be established and oversee the California Youth Leadership Project*
13 *and distribute funds pursuant to Article 4.5 (commencing with*
14 *Section 18736) of Chapter 3 of Part 10.2 of Division 2 of the*
15 *Revenue and Taxation Code and this chapter.*

16 (c) *Members of the California Youth Leadership Project*
17 *Committee, in making youth scholarship awards, shall take into*
18 *consideration that awarded youth represent the racial, ethnic,*
19 *socioeconomic, cultural, physical, and educational diversity of*
20 *California. Particular emphasis should be placed on reaching out*
21 *to at-risk or disadvantaged youth, as their participation in the*
22 *California Youth Leadership Project will provide keen insight into*
23 *many of the issues that youth face in their day-to-day lives.*

24 (d) (1) *The California Youth Leadership Project Committee*
25 *shall be chaired by the chair of the Joint Committee on Rules, or*
26 *his or her designee, and shall include no more than six members.*

27 (2) *The Joint Committee on Rules shall appoint the following*
28 *four members to the California Youth Leadership Project*
29 *Committee:*

30 (A) *A representative from a statewide nonprofit youth*
31 *organization.*

32 (B) *A representative from a community-based nonprofit*
33 *organization that serves youth or youth-related issues.*

34 (C) *A representative of a local educational agency or school*
35 *district.*

36 (D) *A youth under 18 years of age who has participated in a*
37 *youth leadership program involving lobbying the Legislature on*
38 *issue areas affecting youth. This person shall serve only in an*
39 *advisory capacity.*

1 (3) *The California Health and Human Services Agency may*
2 *also, but is not required to, appoint a member to the California*
3 *Youth Leadership Project Committee.*

4 (4) *Members of the California Youth Leadership Project*
5 *Committee, appointed under subparagraphs (A) to (C), inclusive,*
6 *of paragraph (2) shall have experience and be trained to work*
7 *with youth between 14 and 18 years of age on the issues described*
8 *in subdivision (c) of Section 2201, and shall have special*
9 *experience in civic engagement, advocacy, and at least one of the*
10 *following issue areas affecting youth:*

11 (A) *Crisis prevention or intervention.*

12 (B) *Drug, alcohol, and tobacco abuse prevention or intervention.*

13 (C) *Foster care.*

14 (D) *Juvenile justice.*

15 (E) *Homelessness.*

16 (F) *Lesbian, gay, bisexual, and transgender rights and social*
17 *justice.*

18 (G) *Mental health.*

19 (e) *The members of the California Youth Leadership Project*
20 *Committee shall serve on a voluntary basis and shall not receive*
21 *a salary.*

22 2203. *Duties of the California Youth Leadership Project*
23 *Committee shall include, but not be limited to, all of the following:*

24 (a) *Develop and provide applications for the Youth Leadership*
25 *Project scholarship and collect applications from youths who*
26 *would like to apply.*

27 (b) *Determine ways to promote the program and make*
28 *applications available.*

29 (c) *Establish criteria for the selection of youths, and make*
30 *awards based on those criteria and the purposes of this chapter.*

31 (d) *Ensure that there is no discrimination based on race,*
32 *religious creed, color, national origin, age, gender, marital status,*
33 *sex, or sexual orientation.*

34 (e) *Establish the time, location, and number of annual meetings*
35 *of the committee. The committee shall meet no less than once each*
36 *year.*

37 (f) *If necessary, enter into a mutually agreed-upon interagency*
38 *agreement with the Joint Committee on Rules to carry out*
39 *administrative duties related to the project.*

1 (g) *Submit an annual budget and report to the Joint Committee*
2 *on Rules.*

3 (h) (1) *Determine when there are sufficient funds to support*
4 *the project. If the committee determines that there are insufficient*
5 *funds to cover all costs, the activities of the California Youth*
6 *Leadership Project shall cease.*

7 (2) *State funds shall not be used to support the California Youth*
8 *Leadership Project except as provided in Article 4.5 (commencing*
9 *with Section 18736) of Chapter 3 of Part 10.2 of Division 2 of the*
10 *Revenue and Taxation Code.*

11 2204. (a) *The funds for the California Youth Leadership*
12 *Project shall be allocated from the California Youth Leadership*
13 *Fund pursuant to Article 4.5 (commencing with Section 18736) of*
14 *Chapter 3 of Part 10.2 of Division 2 of the Revenue and Taxation*
15 *Code, or from private funds directed to the Joint Committee on*
16 *Rules and allocated to the California Youth Leadership Project*
17 *Committee for the purpose of funding activities of the California*
18 *Youth Leadership Project.*

19 (b) *The California Youth Leadership Project may accept gifts*
20 *and grants from any source, public or private, to help perform its*
21 *functions, pursuant to this chapter.*

22 (c) *No more than 10 percent of the funds allocated to the*
23 *California Youth Leadership Project Committee for the purpose*
24 *of funding activities of the California Youth Leadership Project*
25 *may be used for administrative costs.*

26 (d) *Except as otherwise provided in subdivision (c), the*
27 *California Youth Leadership Project Committee shall have the*
28 *authority to define its program and utilize its funds in any way*
29 *necessary to carry out the duties of this chapter, including, but not*
30 *limited to, partnering with nonprofit groups or state agencies to*
31 *perform various duties required by this chapter, as long as the*
32 *program or activity is not in violation of a state law or regulation.*

33 ~~SECTION 1. (a) The Legislature finds and declares all of the~~
34 ~~following:~~

35 ~~(1) The needs of California's youths can best be assessed by~~
36 ~~California's youths.~~

37 ~~(2) There are over 9,000,000 youths under 19 years of age in~~
38 ~~California, and an additional 3,000,000 more young adults between~~
39 ~~18 and 24 years of age.~~

1 ~~(3) All young people need five key developmental resources in~~
2 ~~order to become productive citizens: caring adults, safe places, a~~
3 ~~healthy start, an effective education, and opportunities to help~~
4 ~~others. Young people who receive more of these developmental~~
5 ~~resources fare better than young people who receive fewer, and~~
6 ~~those young people are more likely to avoid violence, contribute~~
7 ~~to their communities, and achieve high grades in school. A~~
8 ~~significant number of California's youths live disadvantaged lives.~~
9 ~~Of those youths, an estimated 200,000 minors and thousands more~~
10 ~~youths 18 to 24 years of age experience homelessness each year.~~
11 ~~Another 80,000 youths are in the foster care system, over 2,500~~
12 ~~youths in California currently occupy juvenile justice facilities,~~
13 ~~and more than 3,000 youths are on parole from those facilities.~~
14 ~~Youths who are homeless, in the juvenile justice system, or in~~
15 ~~foster care have limited opportunities to participate in the policy~~
16 ~~process that ultimately impacts their well-being.~~

17 ~~(4) There are limited civic engagement opportunities for~~
18 ~~disconnected and disadvantaged youths, especially opportunities~~
19 ~~developed and designed for and with them in mind.~~

20 ~~(5) It is alarming that hundreds of thousands of California's~~
21 ~~youths are among the two-thirds of America's children and youth~~
22 ~~recently identified by the America's Promise Alliance as not~~
23 ~~receiving sufficient developmental resources to safely put them~~
24 ~~on the path to adulthood. It is also concerning that the high school~~
25 ~~completion rate is less than 60 percent for low-income students~~
26 ~~and students of color in California, that gang and youth violence~~
27 ~~continue to be a concern, and, although birth rates to teen mothers~~
28 ~~have decreased, that teen pregnancy and parenting continues to be~~
29 ~~a significant social problem in California. It is encouraging,~~
30 ~~however, that research indicates that providing more of the five~~
31 ~~developmental resources for more young people can help prevent~~
32 ~~many of these problems, and that millions of dollars in later prison,~~
33 ~~health, and welfare costs can be avoided by providing more~~
34 ~~developmental resources for more young people now.~~

35 ~~(6) America's Promise Alliance has called for greater~~
36 ~~collaboration and integration in working to turn failure into action~~
37 ~~and improve the lives of young people at risk. More than 20 states~~
38 ~~have committed their state resources for the creation of statewide~~
39 ~~entities charged with improving the developmental well-being of~~
40 ~~their children and youth.~~

- 1 ~~(b) It is the intent of the Legislature to amend this act to enact~~
- 2 ~~legislation that would establish the California Youth Leadership~~
- 3 ~~Fund and the California Youth Leadership Project to advocate for~~
- 4 ~~the needs of youth.~~